



# Public Policies

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## Gov. Bob Holden appoints former state Rep. Scott B. Lakin as director of the Missouri Department of Insurance (MDI)

An appointee of Gov. Bob Holden, Scott B. Lakin became the 44th director of the Missouri Department of Insurance on March 15, 2001.

A four-term state representative and insurance agent, Lakin built a reputation in Missouri as the champion of legislation that made health care and insurance more accessible and affordable for consumers. During the late 1990s, Missouri registered one of the lowest uninsured rates in the nation.

Lakin, 43, represented House District 33, which included parts of Gladstone and the northern suburbs of Kansas City in Clay County, from 1993 to early 2001. Among his legislative achievements were:

- Sponsoring Missouri's federal-state Children's Health Insurance Program — known as MC+ for Kids — that has helped extend coverage to more than 90,000 youngsters since it passed in 1998.

- Sponsoring the state's childhood immunization reforms that raised Missouri's immunization rate, among the country's worst, to one of the nation's highest. Almost 90 percent of those age 3 and younger are fully immunized.

- Guaranteeing that Missouri's formula for state aid to local schools was fully funded as chairman of the House Appropriations Committee for Education and Public Safety. His tenure in the legislature saw the state make unprecedented increases in public education investment.

Holden announced Lakin's appointment on March 1, citing the longtime legislator's expertise in performance-based budgeting and insurance issues. Lakin later gained the unanimous recommendation of the Senate Gubernatorial Appointments Committee, and the full chamber confirmed the nomination March 15.

As director, Lakin draws on 17 years experience in the financial services industry as an insurance agent, giving him a unique perspective as federal changes provide for cross-ownership of insurance, banking and securities firms for the first time since the Depression.

For now, Lakin says he will:

- Strongly support passage of Gov. Holden's legislative plans to improve women's health care and insurance coverage, protect the medical privacy of Missourians and help seniors pay for catastrophic prescription drug expenses.



*Scott Lakin, MDI Director*

- Explore how Missouri can improve access, affordability and reliability of individual health insurance, ranging from major medical coverage of the self-employed to seniors buying long-term care protection.

- Maintain and build on MDI's longstanding reputation for protecting the rights of consumers in the insurance marketplace. "My attitudes about insurance regulation have been formed by my own experience with clients' satisfaction and frustrations," Lakin said.

- Continue promoting the role of the insurance industry in Missouri's economy. Almost 300 insurers are based in Missouri, and sales here total more than \$18 billion a year. More than 85,000 agents and brokers have Missouri licenses.

After earning his business administration degree at William Jewell College in Liberty, MO in 1980, Lakin became an aide to the late U.S. Rep. Richard Bolling of Kansas City — whom the Wall Street Journal named one of the three most influential congressmen of the past century.

His congressional service gave Lakin a springboard to his 1993 election to the Missouri House. There, he headed the Joint Committee on Health Care Policy and Planning and quickly rose to vice chairman of the House Budget Committee, which approves overall state funding programs. He also served on the House Commerce, Critical Issues, Local Government, Urban Affairs and Transportation committees.

While in the House, Lakin was named Legislator of the Year by the Missouri Association of Sheltered Workshop Managers; by the Missouri Community College Association; by the Missouri Hospital Association; and by the Missouri Association of Counties.

He also received the Excellent Health Care Legislation Award from the Missouri Nurses Association and the Advocate of the Year Award from the Associate Circuit Judges Association.

Lakin and wife Cindy, a high school music teacher, have been married 20 years and are raising three school-age children, Kyle, Caroline and Chris.

Lakin replaces Keith Wenzel, who had headed the department since May 1999. Jefferson City attorney Wenzel, however, is remaining as deputy director. ❖



# MDI Regulatory Actions

January & February 2001

## Legal Action - Agents, Agencies and Brokers

**Joseph O. Aydt**, St. Charles, MO, stipulated agreement/order for failure to record all security instruments within three business days of closing.

**Bret Boeger**, Lake Lotawana, MO, \$200 forfeiture for misstatement on application and failure to make required disclosure on license application.

**Lowell B. Denny II**, St. Louis, MO, license revoked for misappropriation and illegally withholding money belonging to an insurance company, an insurer or prospective insurance buyer and demonstrated lack of trustworthiness or competence.

**Alan D. Eckert**, St. Louis, MO, \$400 forfeiture for misrepresentation of insurance product/policy, marketing and sales, demonstrated lack of fitness or trustworthiness and acting as a broker when not licensed.

**Josh L. Evans**, Streator, IL, license denied for failure to respond and demonstrating lack of fitness or trustworthiness.

**Christina Garcia**, Kansas City, MO, license revoked for misappropriation of funds, fraud, and demonstrating lack of trustworthiness or competence.

**Robert D. Hoelcher** and **All Risk Agency**, license revoked for attempting to obtain a license by fraud, misrepresentation or misstatement, conviction of a felony involving moral turpitude, lack of trustworthiness, misappropriation of funds, fraud, acting as an agency through persons not licensed as agents/brokers, revocation by another state and unfair practices.

**John F. Horan**, St. Louis, MO, license denied for selling without a license, demonstrating lack of fitness or trustworthiness, misappropriation of premiums, fraud and deception.

**Linda A. Lovett**, St. Charles, MO, \$100 forfeiture for late or incomplete response.

**James E. Lynch**, St. Peters, MO, license revoked for misappropriation and illegally withholding money belonging to an insurance company, an insurer or prospective insurance buyer; practiced or aided or abetted in the practice of fraud, forgery, deception or collusion and demonstrated lack of trustworthiness or competence.

**Donald S. McCandless, Jr.**, Kansas City, MO, license revoked for misappropriation and illegally withholding money belonging to an insurance company, an insurer or prospective insurance buyer and demonstrated lack of trustworthiness or competence.

**Charles W. Newton**, St. James, MO, license denied for criminal record/history.

**Anthony Paul Rasmussen**, Kansas City, MO, license

revoked for misappropriation of funds, fraud, forgery, deception or collusion and lack of trustworthiness.

**Edward Ray**, Springfield, MO, license revoked for misappropriation and illegally withholding money belonging to an insurance company, an insurer or prospective insurance buyer and demonstrated lack of trustworthiness or competence.

**Leslie E. Richardson**, Yuba Linda, CA, license denied for failure to respond and misstatement on application.

**Thomas W. Schlenk**, Florissant, MO, license revoked for failure to respond.

**Alexander J. Scholp**, Dayton, OH, license denied for failure to respond, demonstrated lack of fitness or trustworthiness and misstatement on application.

**Walter Sohl**, Leslie, MO, license revoked license revoked for misappropriation and illegally withholding money belonging to an insurance company, an insurer or prospective insurance buyer and demonstrated lack of trustworthiness or competence.

**Heritage Title Co.**, St. Charles, MO, stipulated agreement/order for failure to record all security instruments within three business days of closing.

*The following companies forfeited \$100 each for failure to respond:*

**American Alternative Insurance Corp.**, Princeton, NY - two violations.

**American Income Life Insurance Co.**, Waco, TX.

**Allstate Insurance Co.**, Engelwood, CO.

**American Family Mutual Insurance Co.**, Madison, WI.

**American General Life & Accident Insurance Co.**, Nashville, TN.

**American National Insurance Co.**, Galveston, TX.

**CGU Hawkeye Security**, Chesterfield, MO.

**CSA Fraternal Life**, Oak Brook, IL.

**Continental General Insurance Co.**, Omaha, NE.

**The EPOCH Group LC**, Overland Park, KS.

**First Financial Insurance Co.**, Springfield, IL.

**GEICO Casualty Co.**, Washington, DC.

**Great West Life & Annuity Insurance Co.**, Engelwood, CO.

**Group Health Plan, Inc.**, Earth City, MO - two violations.

**Hartford Underwriters Insurance Co.**, Hartford, CT.

**Heritage Insurance Managers**, San Antonio, TX.

**Kaiser Permanente Insurance Co.**, Overland Park, KS.

**Lititz Mutual Insurance Co.**, Letitz, PA.

**Merastar Insurance Co.**, Chattanooga, TN.

**Metlife**, New York, NY - three violations.

**Pennsylvania Life Insurance**, Orlando, FL - two violations.

*(See Regulatory Actions, p. 3)*

## Regulatory Actions

(continued from p. 2)

*Principal Life Insurance Co.*, Des Moines, IA.

*St. Paul Guardian Insurance Co.*, St. Paul, MN.

*The EPOCH Group, LC*, St. Louis, MO.

*The Hartford/Omni Automobile Insurance*, Atlanta, GA.

*United Benefit Life Insurance Co.*, Strongsville, OH.

*United Healthcare of the Midwest, Inc.*, Maryland Heights, MO.

*United Healthcare Insurance Co.*, Edina, MN - two violations.

*Universal Underwriters Group*, Overland Park, KS.

*Commonweath Land Title Insurance Co.*, St. Louis, MO, \$550 forfeiture for claim mishandling and failure to set and maintain reserve for unpaid losses and loss expenses.

*Payless Auto Insurance Agency Inc.*, St. Louis, MO, license forfeiture for selling without a license, demonstrating lack of trustworthiness, misappropriation of premiums, fraud and deception.

*Stone City Abstract & Title Co., Inc.*, Galena, MO, \$200 forfeiture for underwriting.

*US Title Guaranty Co. Inc.*, Clayton, MO, \$2,000 forfeiture for failure to record security instrument within three business days.

## Financial Exams

*Health Partners of the Midwest*, Clayton, MO.

*Land Title Insurance Co. of St. Louis*, St. Louis, MO.

## Company Changes

*Administration Associates, Inc.*, Carpinteria, CA, withdrew as a third-party administrator (TPA).

*Albert H. Wohlers & Co.*, Park Ridge, IL, a TPA, merged with *Seabury & Smith Inc.*

*American Family Home Insurance Co.*, Cincinnati, OH, added accident and health and miscellaneous authority.

*Ameribest Life Insurance Co.*, Atlanta, GA, redomesticated from Illinois to Georgia.

*AmeriHealth Mercy Health Plan*, Philadelphia, PA was admitted as a TPA.

*Atlantic Casualty Insurance Co.*, Goldboro, NC, was approved as a surplus lines company.

*Avomark Insurance Co.*, Indianapolis, IN, was admitted with property, liability, fidelity, surety and miscellaneous authority.

*AXA Global Risks US Insurance Co.*, New York, NY, changed its name to *AXA Global Risks US Insurance Co.*

*AXA RE Life Insurance Co.*, New York, NY, changed its name to *AXA Corporate Solutions Life Reinsurance Co.*

*Blue Cross and Blue Shield of Missouri*, St. Louis, MO, surrendered its certificate of authority. (Operations are now

merged with *RightChoice Managed Care Inc.*)

*Casualty Indemnity Exchange*, Jefferson City, MO, changed its name to *Camelot Insurance Underwriters*.

*Chartwell Reinsurance Co.*, Stamford, CT, changed its name to *Chartwell Insurance Co.* and redomesticated from Michigan to Connecticut.

*Commonwealth Insurance Co. of America*, Seattle, WA, was admitted with property, liability and miscellaneous authority.

*Continental Life Insurance Co.*, Carmel, IN, merged with *Conseco Senior Health Insurance Co.*

*Cova Financial Services Life Insurance Co.*, Oakbrook Terrace, IL, changed its name to *MetLife Investors Insurance Co.*

*Eagle National Assurance Corp.*, Cameron, MO, changed its name to *Cameron National Insurance Co.*

*Fulcrum Insurance Co.*, Scottsdale, AZ, merged with *Fulcrum Insurance Co. of Arizona* and was approved as a surplus lines company.

*HCSC Insurance Services Co.*, Chicago, IL, redomesticated from Missouri to Illinois.

*Genelco Inc.*, St. Louis, MO, withdrew as a TPA.

*General Security Property and Casualty Co.*, New York, NY, was admitted with property, liability, fidelity and surety, accident and health and miscellaneous authority.

*IL Annuity and Insurance Co.*, Topeka, KS, redomesticated from Michigan to Kansas.

*Independence Indemnity Insurance Co.*, Topeka, KS, withdrew as a surplus lines company.

*Imer Harbor Reinsurance, Inc.*, Baltimore, MD, withdrew as an approved reinsurer.

*Kemper Surplus Lines Insurance Co.*, Long Grove, IL, was approved as a surplus lines insurance company.

*Lincoln Mutual Life Insurance Co.*, Lincoln, NE, changed its name to *Lincoln Direct Life Insurance Co.*

*Massachusetts Casualty Insurance Co.*, New York, NY, changed its name to *Centre Life Insurance Co.*

*Medical Assurance of Missouri, Inc.*, Birmingham, AL, redomesticated from Missouri to Alabama.

*North Rock Insurance Co. Limited*, Hamilton, Bermuda, withdrew from the approved NAIC Listing.

*Phoenix American Life*, Enfield, CT, changed its name to *GE Group Life Assurance Co.*

*Professional Liability Insurance Co.*, Nashville, TN, surrendered its certificate of authority.

*Robinson Administrative Services Inc.*, was admitted as a TPA.

*Sierra Health Care Options Inc.*, Las Vegas, NV, withdrew as a TPA.

*St. Paul Risk Services, Inc.*, St. Paul, MN, changed its name to *Octagon Risk Services, Inc.*

*Starnet Insurance Co.*, Wilmington, DE, was admitted with property, liability, fidelity and surety authority.

*Sterling Life Insurance Co.*, Chicago, IL, was admitted with accident and health authority.

*Sun America National Life Insurance Co.*, New York, NY, changed its name to *SBL USA Financial Services Life Insurance Co.*

(See *Regulatory Actions*, p. 4)

## Regulatory Actions

(continued from p. 3)

*The College Insurance Co. of America*, Dallas, TX, changed its name to *Americo Financial Life and Annuity Insurance Co.*

*Universal of Omaha Casualty Insurance Co.*, Boise, ID, changed its name to *General Fire & Casualty Co.* and redomesticated from Nebraska to Idaho.

*Virginia Insurance Reciprocal*, Glen Allen, VA, changed its name to *Reciprocal of America*.

*Western Indemnity Insurance Co.*, Houston, TX, was removed from the eligible surplus line carrier List dated January 2001.

*W.J. Jones Administrative Services, Inc.*, Fort Worth, TX, withdrew as a TPA.



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## Personnel

### New Employees

*Tanya Eddy*, account clerk II, support services section.

*Kembra Springs*, insurance product analyst, managed care section.

*Nicole Wilbers*, clerk I/mailroom clerk, support services section.

### Resignations

*Kris Scheulen*, information support coordinator, information systems section.

### Promotions

*Jeff Legg*, planner II, managed care section.

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